

**USAID/ERITREA**

**FY 2002 ANNUAL REPORT**

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### **Part III: Performance Narrative**

#### **A. Challenges**

In 2001, Eritrea completed its first year of peace since 1997 and began plans for post-conflict reconstruction. The peace process is supported by the presence of 4,200 peacekeeping troops under the United Nations Mission to Ethiopia and Eritrea (UNMEE). An international Boundary Commission will announce its decision on border delineation in March 2002. Regardless of the specific decision, this event will be a major challenge to peacekeeping and development in Eritrea. The U.N. estimates that once the permanent border is established, 20,000 to 50,000 people located in the adjacent areas may elect to move to the other side. The subsequent physical demarcation of the border will take time and great care to execute due to the presence of landmines and unexploded ordnance.

Eritrea faces a number of development challenges, including post-conflict reconstruction, rehabilitation, chronic drought, low skill and education levels, limited natural resources, demobilization and refugee resettlement. One of the poorest countries in the world, Eritrea ranked at 148 out of 162 countries in the UNDP's Human Development Index (HDI) for 2001. The Central Bank and the International Monetary Fund estimate that Eritrea experienced a negative GDP growth rate of minus 8.2 percent in 2000. Per capita GDP in 2000 was estimated at \$200. The budget deficit was estimated at 48 percent, while external debt was estimated at \$300 million, or 49 percent of GDP.

Eritrea's health indicators are low. According to the UNDP HDI, life expectancy is 51 years, while infant mortality is estimated at 66 per 1000 live births. The HIV/AIDS epidemic is at an early stage, but the risk of rapid spread is already high, threatening to overwhelm Eritrea's fledgling institutional capacity. HIV/AIDS rose from the tenth leading cause of inpatient deaths among Eritreans aged five years and above in 1996 to the second leading cause of death in 2000. During the same period, official estimates of prevalence doubled, rising from 1.5 percent to 3 percent. It is estimated that at least 60,000 to 70,000 Eritreans have HIV and will die of AIDS, three times as many Eritreans as were reported killed in the 1998-2000 war with Ethiopia. The high proportion of Eritreans aged 18 to 40 years serving in the military has placed the majority of an entire generation at high risk for HIV/AIDS. The planned demobilization of 200,000 troops brings the added risk of spreading HIV to families and communities across the country.

In 2001, delays in demobilization, the redirection of USAID funds to meet immediate humanitarian assistance needs, and a lack of economic and democratic reforms at the policy level produced less than expected results. In addition, relations with donors were strained by the government's position in dealing with dissidents and the free press.

Despite these obstacles, marked progress was made this year. Eritrea met its commitments under the peace agreement, a major achievement. The institutional capacity of government agencies was strengthened in the health, banking, communications and higher education sectors, with USAID assistance. The commitment to halt the spread of HIV/AIDS widened to become a multi-sectoral effort led by the Ministry of Health (MOH) and supported by all sectors of society, as well as donors. Under the USAID-supported HIV prevention condom social marketing program, sales increased by 25 percent in 2001. In family planning, couple years of protection increased by 28 percent in target areas, and training for safe deliveries exceeded targets. Access to emergency loans under the Mission's Crisis Modifier provision was expanded, advancing economic recovery in western and southern Eritrea through 186 loans in the manufacturing, mining, agriculture, commerce and service sectors. In the Information and Communications Technology (ICT) sector, the Ministry of Transport and Communications developed a five-year national telecommunications development plan and obtained formal approval to privatize the Telecommunications Service of Eritrea (TSE). With USAID support, the national bandwidth was doubled to meet increased demand, and the University of Asmara and the Central Bank went online in 2001. The latter promises significant improvements in the Bank's central clearing, financial policy and regulatory functions.

Overall, USAID's performance was mixed, against originally established targets. Strategic Objective (SO) 1, which comprises nearly half the Mission's budget, met expectations for improvements in primary health

care and HIV prevention. SO2's emergency loan program was very successful, and helped reduce the SO2 pipeline by 53 percent. However, complementary technical support for business development services was precluded by staff shortages. SO3's Internet initiatives achieved significant results but scholarship programs for university faculty and civil servants failed to meet targets due to staff shortages and management changes. The Mission has identified alternative delivery mechanisms, e.g., PVO implementation, to improve results achievement, where necessary, during the next reporting period.

In June 2001, the Mission's 1997-2002 strategy was reviewed and approved by AID/Washington for an extension through 2004. However, given the need to address post-conflict challenges within a peace scenario, the Mission has decided to pursue the development of a new strategy for approval in 2003.

## **B. Program Performance**

### **661-001: Eritrea Health and Population Program**

The purpose of this SO is to increase the quality, availability and use of primary health care services by Eritreans. Mothers and children under five years of age are the primary beneficiaries.

Eritrea's health indicators are poor. The 1995 Eritrea Demographic and Health Survey (DHS) measured infant mortality at 72 per 1,000 live births, under-five mortality at 136 per 1,000, the percent of children aged 12-23 months fully vaccinated at 41 percent, and contraceptive prevalence (of any method) at 8 percent. There is a great risk that HIV/AIDS will spread rapidly, and USAID has joined forces with the Government and other donors in expanded efforts to fight this disease.

Current trend estimates for demographic indicators are not reliable. Eritrea, a newly independent country, has not yet conducted a national census. The 1995 Eritrean Demographic and Health Survey was the first and only nationally representative sample survey conducted in Eritrea. USAID will conduct a follow-on DHS in 2002, which will provide reliable data to measure progress against the 1995 DHS. In the absence of updated DHS data, the Mission has used MOH statistics, expert assessments and monitoring data maintained by implementing partners to support our rating of this SO.

In the area of child survival, the SO exceeded expectations for implementing integrated management of childhood illness. Polio eradication efforts achieved good immunization coverage and improvements in surveillance. In FY 2001, Ministry of Health (MOH) family planning services in USAID target zones increased 28 percent in 2001 over 2000 as measured in the provision of couple years of protection (CYPs). In HIV prevention, sales of condoms through the USAID-supported condom social marketing program have increased every year since the inception of the program in 1998. In 2001, after a successful relaunch, condom sales increased 25% over 2000. A plan to upgrade the USAID-established health information system was developed and implementation began as planned for 2001.

Overall, this SO met expectations in 2001.

### **Achievements**

HIV/AIDS Prevention: In 2001, Eritrea's commitment to stop HIV/AIDS deepened. Not only the Ministry of Health but also other sectors and levels of government joined forces with faith-based organizations, business, labor, and the general public to work on this issue. President Isaias Afewerki and the leaders of Eritrea's four main faiths – the Patriarch of the Eritrean Orthodox Church, the Muslim Mufti, the President of the Evangelical Church, and the Archbishop of the Catholic Church – appeared on posters for World AIDS Day in December 2001 and spoke publicly on this threat. USAID worked closely with UNAIDS and the Embassy Public Affairs Office to boost this growing awareness with study tours, speakers programs, advocacy, and training.

The HIV prevention condom social marketing program was relaunched in July 2001. A 1999 evaluation of the program's first two years of implementation had ranked it among the top ten such programs worldwide in terms of condom sales per capita. The relaunch addressed recommendations of the

evaluation, such as the need for more reliable condom supply to avoid stockouts and concerns regarding condom quality. In addition to providing new packaging and a regular supply of American-manufactured condoms, condom vending machines were installed in high-risk locations such as restrooms in bars, hotels, and discotheques in order to provide better targeting and address privacy concerns. Sales increased 25% in 2001. The educational aspects of this program also support abstinence and fidelity as effective means to prevent HIV.

Also in 2001, systematic training was conducted to create the counseling capacity for voluntary counseling and testing (VCT) for HIV, and the MOH testing protocol was changed to ensure rapid test results. This laid the groundwork for opening two VCT centers in 2002. Preparations for a comprehensive behavior change communications campaign included the establishment of a multi-sectoral focus group comprising representatives of key government ministries, NGOs, and faith-based organizations. USAID provided technical assistance and training to develop focus group research and survey data to inform a communications strategy and implementation plans for 2002.

Health Management Systems and Information: The second Demographic and Health Survey was designed and questionnaires were pretested in 2001. The survey will be implemented in 2002. The routine information system established by USAID and the MOH in 1997-1998 has been implemented in all health facilities and currently publishes annual reports. In April-May 2001, USAID helped the MOH draft a 5-year plan for further computerization of this system and staff training to increase the frequency, timeliness, and accessibility of these data. In 2001, the new software was designed and programming began. Also, an Internet service provider was contracted by the MOH with USAID funding.

Licensing of health workers was instituted. All health workers were required to register their credentials during 2001. This system provides the MOH with more complete information on human resources and lays the foundation for other systems to improve competency levels.

Family Planning: USAID supported the training of health workers to provide family planning services. There was a 28 percent increase in couple years of protection (CYPs) provided by Ministry of Health facilities in the three SO target zones, rising from 6,091 in FY 2000 to 7,807 in FY 2001. The CYPs in the non-target zones decreased from 2,690 to 1,765 during the same period. It was not possible to set a valid CYP target for 2001, given the unusual demographic situation. However, the comparison between USAID target and nontarget zones demonstrates that USAID training support is making a difference in the target zones, and a 28 percent increase in CYPs is a large increase under any circumstances.

Maternal Health: The original SO target for maternal health was to train 100 percent of the midwives in USAID target zones in emergency obstetric care by 2001. This target has been exceeded, as all midwives in these zones were trained in 2000. Planned activities for 2001, i.e., to begin training midwives in other zones and develop an obstetric life-saving skills curriculum for health assistants, were carried out. USAID is developing training centers to ensure a sustainable training capacity. While these efforts to increase the quality of and access to emergency obstetric care have exceeded expectations, a 2001 assessment showed that the number of women delivering in health facilities was well below the expected number of pregnancies facing life-threatening conditions. Greater efforts are therefore needed to increase the demand for emergency obstetric care in order to have a significant impact on maternal mortality. For this reason, despite relevant achievements that exceeded expectations, the select performance measures table shows a negative answer to Question 15.

Child Survival: USAID is collaborating with the World Health Organization (WHO) and the World Bank to train health workers to provide integrated management of childhood illness (IMCI) services. Results greatly exceeded expectations in 2001, with 15 health facilities offering ICMI services, as compared with the target of two facilities. As part of ICMI, growth monitoring and promotion materials are being developed including micronutrient education.

For childhood immunization, the reported indicator in previous years has been the percentage of children fully immunized. Measurement of immunization coverage is difficult without DHS data. Nonetheless, technical reviews by CDC and WHO showed that the National and Sub-national Immunization Days were

well implemented and that polio surveillance improved greatly in 2001. There is a high level of commitment to immunization and very good follow-through on WHO/CDC recommendations. Eritrea actively participated in the cross-border initiative begun in 2001 to improve immunization coordination among all countries bordering Sudan. Donor coordination is good, which facilitated Eritrea's successful application to the Global Accelerated Vaccine Initiative (GAVI) for funding to introduce hepatitis B vaccine. In addition, more than 250,000 Vitamin A capsules were distributed to children during the Sub-National Immunization Days in June 2001 and more than 380,000 capsules during the National Immunization Days in December 2001. Therefore it is reasonable to conclude that the program is achieving significant results likely to contribute to reducing infant and child mortality.

## **661-002: Increasing Rural Incomes**

The purpose of this SO is to expand rural incomes and employment. At the enterprise level, beneficiaries are principally the businesspeople who receive technical assistance from the Rural Enterprise Unit (REU) established under the program and credit financing from the Commercial Bank of Eritrea. On another level, customers benefit from the wider range of goods and services offered and finally, in the case of successful exports, the nation benefits from the generation of hard currency from exports.

In 2001, providing continued access to emergency credit under the Mission's Crisis Modifier provision was the main activity of this SO. By the end of the year, 186 new loans had been made to eligible enterprises in western and southern Eritrea, of which 28 percent are owned by female entrepreneurs. The majority of the loans went to former bank clients whose businesses were destroyed by the invasion of May 2000 and were largely limited to replacing inventory. The technical support that had been planned to complement the emergency credit program was not forthcoming. This was principally due to the difficulties encountered by the REU in replacing staff called up for national service. As a result, planned business development services (BDS) and export promotion targets were not met.

Similarly, delays in securing the return of trained loan officers to the Commercial Bank of Eritrea further postponed the long-awaited improvement in the Bank's financial services. At a ratio of 550 to 1, the number of loans handled by each loan officer remained problematic and the overload diminished the quality of financial oversight and reporting. The Bank's noncompetitive salary structure continued to discourage staff initiative and inhibit recruitment of new staff.

Overall, this SO did not meet expectations in 2001. At the national level, the delay in demobilization slowed the national economic recovery, on which a fuller response of the rural enterprise program depends. However, a significant number of loans were made and the program was instrumental in advancing economic recovery in the two most important agricultural regions of the country. In fact, the Mission's rural enterprise program has been the only donor assistance effort to provide credit resources in the war-affected areas. In addition, USAID's part in facilitating a new role for PVOs in Eritrea's development offered alternative delivery mechanisms that will help overcome staffing constraints.

## **Achievements**

Access to Credit: The most significant achievement in 2001 was the continuation of emergency credit made available to beneficiaries interested in re-starting their businesses in target regions. A total of 186 loans, totaling \$1.379 million, was provided as fast-disbursing credit in the manufacturing and mining, agriculture, commerce and service sectors in Gash Barka and the Southern Red Sea regions.

Data quality, assessed on the basis of Commercial Bank records and extensive field trips, was judged to be reliable.

Human Capacity Building: While the program's ability to mobilize Eritrean sources of technical and financial expertise was limited by the protracted post-conflict recovery process, the Mission used the opportunity to strengthen the skills of key players in the enterprise sector. A total of 30 people (28 men and 2 women) from the REU staff, the Employers' Federation and the Chamber of Commerce were sent on reverse trade missions, work-study tours and conferences. They were exposed to modern business

practices and development services, and generally sensitized to the requirements of remaining competitive in international markets. Refresher courses in economic evaluation, financial analysis and credit management were also provided to 11 returning Commercial Bank loan officers upon their release from national service in June 2001.

Recruiting qualified personnel to fill staff vacancies will be difficult as long as the demobilization program is delayed. In the interim, the REU is continuing to provide better on-the-job training to existing personnel to make them more productive. The Commercial Bank and the REU have proposed that local business consultants be encouraged or required to complete skills strengthening courses in providing business development services as a condition for working with the USAID program.

PVO Participation in Development: To address the implementation obstacle of staff shortages, USAID organized meetings between senior government officials and representatives of registered private voluntary organizations (PVOs). The objective was to open a dialogue leading to a pronouncement by the GSE upon which the PVOs could base a more permanent, in-country presence. The number of international PVOs in Eritrea had increased to 34 following the last round of fighting and Eritrea's needs were transitioning from disaster response to reconstruction and economic recovery. The GSE demurred from a public policy statement. Nonetheless, the PVOs were sufficiently assured of the government's appreciation and the need for assistance that 34 are still working in country. Most are engaged in reconstruction and economic development activities.

This acceptance by the GSE of a continuing role for PVOs is encouraging and may represent an expeditious solution to the human resource limitations that have plagued the implementation of the rural enterprise program.

USAID responded by signing six grants, valued at \$2.23 million, with three PVOs for seeds and tractor services, emergency health care (both funded by OFDA), humanitarian assistance logistics and capacity building, emergency water and sanitation services and microcredit. The latter is described below.

Non-Formal Credit Outreach: Difficulties with the original implementation approach provided an opportunity to authorize, through a U.S. private voluntary organization, a pilot grant program to establish community-based savings and loan associations. The aim is two-fold. The first is to promote micro-finance among a clientele not typically served by institutional lending programs. The second is to support a twinning arrangement with two Eritrean non-governmental organizations that will, over time and with a successful transfer of technology, experience and management skills, assume the responsibility for the program in the future. To date, nine associations have been formed, with a total of 228 members.

Lessons Learned from Implementation: The SO was unable to meet its targets because of the problems with the implementation approach adopted at program outset. This problem is now clearly understood and several corrective measures have been identified and are being carried out. The REU has developed and obtained approval from the program management committee for a revised and more competitive salary structure. Recruitment is underway and the prospective candidates are encouraging.

The alternative measures such as village-level savings and loan program, the twinning experiment with the local non-governmental organizations and the provision of training support across a broad spectrum of the business community have proved responsive to conditions and were well appreciated. However, these are modest and partial results. If the REU had been able to provide the complementary technical support services, the SO might have made better progress towards meeting the targets for income, employment, revenue and exports set for the program.

### **661-003: Developing Human Potential**

The purpose of this SO is to develop human potential for economic and democratic development through training and access to information through the Internet. Beneficiaries include the general public and businesses that can access information and communicate via the Internet, university students, civil servants, women, workers and demobilized soldiers.



Development of the Internet continued to lead SO3's efforts in 2001. The bandwidth was doubled to meet increased demand, and the University of Asmara and the Central Bank went online, with USAID support. Access to the Internet led to a major expansion in opportunities for individuals and businesses. It also advanced human rights and democracy, serving as a popular forum for political and economic debate. This role became even more vital after the free press was shut down in September 2001. Although four secondary cities were wired for connectivity, a lack of telephone lines and privileged access for the TSE ISP's customers prevented full Internet operations in those locations, thus that target was only partially met. However, the other accomplishments in this field, particularly in policy reform, demonstrated significant progress.

Government staff shortages caused by delays in demobilization, coupled with university management changes, seriously hampered this SO's performance under the university linkage and civil service scholarship programs in 2001. The pool of candidates was limited and the management changes led to delays in the selection of new participants, preventing the achievement of planned targets. Nonetheless, there were several accomplishments. Three University of Asmara faculty members returned with advanced degrees in social science, social anthropology and history, respectively. Another participant was named Chief Justice of the Supreme Court. Progress was also made in the area of women's economic empowerment, through publication of various studies and reports, including a USAID study on women and microenterprise in Eritrea.

As noted in the past two R4s, the original SO, to increase accountable governance at the national and local levels, was changed in 1997, at the GSE's request, to focus on human capacity development. Accordingly, the SO was re-articulated in 2001 to increase private and public human capacity to accelerate broad-based development. Due to the decision to develop a new Mission strategy by FY 2003, however, the new SO has not been reviewed or approved. Thus, this SO, as originally articulated, did not meet expectations in 2001.

## **Achievements**

Policy Reforms: Based on a recently completed KPMG assessment, the Ministry of Transport and Communications received formal GSE approval in December 2001 to privatize the Telecommunications Services of Eritrea (TSE), which currently holds a voice monopoly and is the country's sole Internet operator. The World Bank and USAID are planning to support this effort. The launch of cellular phone services under a joint venture in 2002 will further open up the telecommunications market. In addition, following consultations with USAID and the private sector ISPs, the MOTC rescinded telephone line surtax for Internet use, reducing costs and encouraging expanded access. These policy reforms will address certain competition and performance issues identified in several USAID-commissioned assessments and reports in 2001. Other reforms are planned, including replacement of domestic long-distance phone charges with a lower universal Internet charge.

Internet: Since the Leland Initiative launched the Internet in Eritrea in November 2000, the number of subscribers has increased to over 3000 and thirteen cyber cafes have been licensed. In 2001, the Central Bank went online and the University of Asmara was added as a fifth non-profit ISP, with USAID support. Three additional private ISP licenses are under review. USAID completed a technical assessment of the Internet system, which served as the basis for design of the bandwidth upgrade. A companion ICT assessment laid out a Phase II program focused on policy reform, technical assistance and training, which has been approved by the GSE. These documents served as seminal references for the development of the GSE's five-year Telecommunications Development Plan and for the design of complementary programs by the International Telecommunications Union (ITU) and the World Bank. USAID continued to provide technical assistance and training to the TSE and ISPs, as well as an e-commerce workshop attended by over 100 private and public sector representatives. Finally, USAID funded the design and implementation of a major bandwidth expansion (from a 512 kbps shared system to a dedicated 1 mbps system).

As stated in the previous section, achievement of the target of full connectivity for four secondary cities is still pending. However, the combination of policy reforms and the broad expansion of demand and use as documented by MOTC records and USAID expert reports support the conclusion that this activity achieved a significant result in 2001, contributing to the expansion and strengthening of critical private markets.

Demobilization: USAID participated in the World Bank-led assessment mission to develop the Demobilization and Reintegration Program (DRP) in January-February 2001, the only bilateral donor to do so. Support was also provided for a private sector training needs survey of over 300 businesses. The data was incorporated into the DRP's Labor Market Analysis, which will be periodically updated throughout the duration of the project, with USAID and other donor assistance. Due to delays in demobilization, USAID planned assistance to support the National DRP Commission was postponed; it is scheduled for implementation in spring 2002.

University Linkages/UoA Strengthening: The return of three Eritrean professors with advanced degrees in sociology, social anthropology and history strengthened the UoA faculty and reduced the need for expatriate replacements. Two of them were awarded full scholarships for Ph.D. programs by UCLA, where they will return upon completion of one year of service at the UoA. Another returning participant was made Chief Justice of the Supreme Court. Two U.S. professors were seconded to the UoA to teach in the departments of political science and archaeology, respectively. The health linkage program with the State University of New York at Stony Brook continued to operate successfully; the five nursing participants passed the New York State licensing examination will and return to teach in 2002.

USAID provided textbooks and equipment valued at \$550,000 to the departments of journalism, geography, anthropology and archaeology. This donation allowed over 3,200 University of Asmara students to access textbooks for their courses, in many cases, for the first time. Funding was also provided for the design and installation of equipment to make the UoA a non-profit Internet ISP. This opened up possibilities for distance learning and research that will greatly advance the university's human resource development plan.

The University of Asmara's Program Coordination Unit (PCU), responsible for managing scholarship initiatives, remained understaffed, with half its professionals still in the armed forces. The PCU was disbanded in 2001 and responsibility for university and civil service scholarship programs was transferred to the UoA's Office of Strategic Planning. Simultaneously, the administration of existing UoA participants was transferred from a U.S. contractor to the University of North Carolina. These management changes led to delays in the selection of new participants, preventing the achievement of planned targets--only five faculty members were sent on new scholarship programs.

Civil Service Scholarship Program: Five government officials were sent to the U.S. in 2001 for graduate programs in the fields of social policy, political economy, international development, economics, and environmental sciences. Upon completion, they will return to their ministries for a period of two year's service.

Women's Economic Empowerment: With the financial and technical support of EGAT/WID, and research conducted by CDIE, USAID actively promoted and developed activities to address women's issues in Eritrea. A preliminary gender assessment, followed by a study on women and microenterprise in Eritrea, helped advance the SO's strategy development and contributed to research in this field. Assistance was provided for a plan to establish a gender resource center at the University of Asmara and workshops on domestic violence. Publication is pending of the proceedings of the 20th anniversary of the establishment of the National Union of Eritrean Women, with individual stories of female fighters' experiences in the 30-year war, which will raise awareness of their contributions to Eritrea's independence.

Following the signing of an MOU and an action plan in 2001, implementation problems hampered a project to strengthen the National Union of Eritrean Women. The Mission is discussing remedial steps with the grantee to improve performance.

Labor Development: Under a small grant with the American Center for International Labor Solidarity (ACILS), USAID provided technical assistance and training to the National Confederation of Eritrean Workers in 2001. The grant enabled the NCEW to implement seven training programs for a total of 542 participants (323 men and 219 women). Topics included the draft labor code, occupational safety and health, organizing, and training on the computerized accounting system for NCEW staff. ACILS also provided comments on the labor code, which was issued in the form of a proclamation in January 2002.

Table 1: Annual Report Selected Performance Measures

February 28, 2002

| Indicator (all data should pertain to FY or CY 01)   |   | OU Response |     |              | Fund Account | Data Quality Factors   |
|--|---|-------------|-----|--------------|--------------|--|
| Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives   |   |             |     |              |              |  |
| 1  | Did your operating unit achieve a significant result working in alliance with the public sector or NGOs?                            | Yes         | No  | N/A<br>X     |              |  |
| 2  | a. How many alliances did you implement in 2001? (list partners)<br><br>b. How many alliances do you plan to implement in FY 2002?  |             |     |              |              |  |
| 3  | What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?                                   |             |     |              |              |  |
| Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency. |   |             |     |              |              |  |
| 4  | If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets? | Exceed      | Met | Not Met      |              |  |
| A. SO2   |   | Exceed      | Met | Not Met<br>X |              | Based on Commercial Bank and Rural Enterprise Unit reports as verified by a USAID data quality assessment.   |
| B. SO3   |   | Exceed      | Met | Not Met<br>X |              | Based on data from the University of Asmara, training contractors and university coordinators, the Ministry of Transport and Communication (MOTC) records, as verified by a USAID data quality assessment. |
| USAID Objective 1: Critical, private markets expanded and strengthened   |   |             |     |              |              |  |
| Did your program achieve a significant result in the past year that is likely to contribute to this objective?   |   | Yes         | No  | N/A          |              |  |
| A. SO2   |   |             | X   |              |              |  |
| B. SO3   |   | X           |     |              |              | A significant result was achieved in Internet development, based on MOTC records and USAID contractor reports, as verified by a USAID data quality assessment.   |

| Indicator (all data should pertain to FY or CY 01)   | OU Response |        |          | Fund Account | Data Quality Factors                                    |
|--|-------------|--------|----------|--------------|---|
| <b>USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged</b>  |             |        |          |              |   |
| 6 Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No     | N/A      |              |   |
| A. SO2   |             | X      |          |              | Progress was made but not yet considered "significant." |
| A. SO3   |             |        | X        |              |   |
| <b>USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable</b>   |             |        |          |              |   |
| 7 Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No     | N/A      |              |   |
| A. SO2   |             | X      |          |              |   |
| A. SO3   |             |        | X        |              |   |
| <b>USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded</b>   |             |        |          |              |   |
| 8 Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No     | N/A<br>X |              |   |
| 9 a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual)<br>b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target) | Male        | Female | Total    |              |   |
| <b>USAID Objective 5: World's environment protected</b>  |             |        |          |              |   |
| 10 Did your program achieve a significant result in the past year that is likely to contribute to this objective?  | Yes         | No     | N/A<br>X |              |   |
| 11 a. Hectares under Approved Management Plans (2001 actual)<br>b. Hectares under Approved Management Plans (2002 target)  |             |        |          |              |   |

| Indicator (all data should pertain to FY or CY 01)   |  | OU Response |          |          | Fund Account | Data Quality Factors   |
|--|--|-------------|----------|----------|--------------|--|
| Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases. |  |             |          |          |              |  |
| 12   | If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?                                   | Exceed      | Met<br>X | Not Met  |              |  |
| USAID Objective 1: Reducing the number of unintended pregnancies   |  |             |          |          |              |  |
| 13   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes<br>X    | No       | N/A      |              | Based on data from MOH Health Information System   |
| USAID Objective 2: Reducing infant and child mortality   |  |             |          |          |              |  |
| 14   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes<br>X    | No       | N/A      |              | Based on establishment of IMCI services in 15 clinics and on continued immunization performance. |
| USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth  |  |             |          |          |              |  |
| 15   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No<br>X  | N/A      |              | Progress was made but not yet considered "significant."  |
| USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries  |  |             |          |          |              |  |
| 16   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes<br>X    | No       | N/A      |              | Based on increases in condom sales every year since 1998.  |
| USAID Objective 5: Reducing the threat of infectious diseases of major public health importance  |  |             |          |          |              |  |
| 17   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No<br>X  | N/A      |              | Progress was made but not yet considered "significant."  |
| Pillar IV: Democracy, Conflict and Humanitarian Assistance   |  |             |          |          |              |  |
| 18   | If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets? | Exceed      | Met      | Not Met  |              |  |
| USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened   |  |             |          |          |              |  |
| 19   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No       | N/A<br>X |              |  |
| USAID Objective 2: Credible and competitive political processes encouraged   |  |             |          |          |              |  |
| 20   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?   | Yes         | No       | N/A<br>X |              |  |

| Indicator (all data should pertain to FY or CY 01)                                     |   | OU Response    |                   | Fund Account     | Data Quality Factors |  |
|--|---|----------------|-------------------|------------------|----------------------|--|
| USAID Objective 3: The development of politically active civil society promoted        |   |                |                   |                  |                      |  |
| 21   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?                              | Yes            | No                | N/A<br>X         |                      |  |
| USAID Objective 4: More transparent and accountable government institutions encouraged |   |                |                   |                  |                      |  |
| 22   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?                              | Yes            | No                | N/A<br>X         |                      |  |
| USAID Objective 5: Conflict  |   |                |                   |                  |                      |  |
| 23   | Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?  | Yes            | No                | N/A<br>X         |                      |  |
| 24   | Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective? | Yes<br>X       | No                | N/A              |                      |  |
| 25   | Number of refugees and internally displaced persons assisted by USAID   | Male<br>70,000 | Female<br>280,000 | Total<br>350,000 |                      | Based on Information CoordinationCommission (ICC) report |
| USAID Objective 6: Humanitarian assistance following natural or other disasters        |   |                |                   |                  |                      |  |
| 26   | Did your program achieve a significant result in the past year that is likely to contribute to this objective?                              | Yes<br>X       | No                | N/A              |                      |  |
| 27   | Number of beneficiaries   | 410,000        |                   |                  |                      | Based on World Food Programme records.                   |

**Table 2: Selected Performance Measures for Other Reporting Purposes**

The information in this table will be used to provide data for standard USAID reporting requirements

| Indicator (all data should pertain to FY or CY 01)  |  | OU Response |        | Fund Account | Data Quality Factors |
|---|--|-------------|--------|--------------|----------------------|
| Child Survival Report   |  |             |        |              |                      |
| Global Health Objective 1: Reducing the number of unintended pregnancies  |  |             |        |              |                      |
| 1   | Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)           |             |        |              |                      |
| Global Health Objective 2: Reducing infant and child mortality  |  |             |        |              |                      |
| 2   | Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)   | Male        | Female | Total        |                      |
| 3   | Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)                                       | Male        | Female | Total        |                      |
| 4   | Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)   | Male        | Female | Total        |                      |
| 5   | Were there any confirmed cases of wild-strain polio transmission in your country?  |             |        |              |                      |
| Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth |  |             |        |              |                      |
| 6   | Percentage of births attended by medically-trained personnel (DHS/RHS)   |             |        |              |                      |
| Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance                 |  |             |        |              |                      |
| 7   | a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)<br>b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target) |             |        |              |                      |
| 8   | Proportion of districts implementing the DOTS Tuberculosis strategy  |             |        |              |                      |



## HIV/AIDS Report

### Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries

|  |      |        |       |  |  |
|--|------|--------|-------|--|--|
| <p>a. Total condom sales (2001 actual)</p> <p><b>9</b></p> <p>b. Total condom sales (2002 target)</p>  |      |        |       |  |  |
| <p>a. Number of individuals treated in STI programs (2001 actual)</p> <p><b>10</b></p> <p>b. Number of individuals treated in STI programs (2002 target)</p>   | Male | Female | Total |  |  |
| <p><b>11</b> Is your operating unit supporting an MTCT program?</p>  |      |        |       |  |  |
| <p>a. Number of individuals reached by community and home based care programs (2001 actual)</p> <p><b>12</b></p> <p>b. Number of individuals reached by community and home based care programs (2002 target)</p>   | Male | Female | Total |  |  |
| <p>a. Number of orphans and vulnerable children reached (2001 actual)</p> <p><b>13</b></p> <p>b. Number of orphans and vulnerable children reached (2002 target)</p>   | Male | Female | Total |  |  |
| <p>a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)</p> <p><b>14</b></p> <p>b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)</p> | Male | Female | Total |  |  |

| Victims of Torture Report   |  |      |        |       |  |  |
|---|--|------|--------|-------|--|--|
| Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture |  |      |        |       |  |  |
| 15  | Did you provide support to torture survivors this year, even as part of a larger effort? |      |        |       |  |  |
| 16  | Number of beneficiaries (adults age 15 and over)   | Male | Female | Total |  |  |
| 17  | Number of beneficiaries (children under age 15)  | Male | Female | Total |  |  |

| Global Climate Change                            |   |  |  |
|--|---|--|--|
| USAID Objective 5: World's environment protected |   |  |  |
| 18   | Global Climate Change: See GCC Appendix |  |  |

## Part VII. Environmental Compliance: USAID/Eritrea's Environmental Review Status, Plans and Schedule

Fiscal Year 2001 and Previous: The current Mission strategy is largely in compliance. However, as a result of the conflict-related disruptions, the on course program re-adjustments and the scheduled new strategy development and Mission re-organization, a re-assessment with REA assistance will help determine the need and timing of any necessary new IEEs.

Fiscal Year 2002: Plans for new, or amended, IEE or EA actions for FY 2002

| Assistance Activities  | Fiscal Year 2001 and Previous   | Fiscal Year 2002  | Comments  |
|--|---|---|---|
| SO 1: Increased use of sustainable, integrated primary health care services (PHC) by Eritreans |   |   |   |
| IR 1: Access to integrated PHC Services improved   | 28erit2, 8/14/98, ND w/ conditions for construction of health facilities<br>The review scheduled by the REA of the Barentu Hospital renovation and Bada Health Center could not be carried out because of security restrictions limiting access to Gash Barka.  | Post conflict adjustments in focus and funding levels particularly Mission actions to contain the spread of HIV/AIDS require reassessment. Potentially, an amended IEE is called for subject to a visit by the REA.   | The Barentu Hospital was destroyed during the war and is not scheduled to receive USAID support. Bada remains off limits.   |
| IR 2: Client demand for PHC Services enhanced  |   |   |   |
| IR 3: Quality of PHC services Improved   |   |   |   |
| SO 2: Increased income of enterprises primarily rural, with emphasis on exports                |   |   |   |
| IR 1: Increased skilled Employment in enterprise   | 28erit1, 4/8/98, ND w/ conditions<br>1. REA concurred on the GSE's Env. Screening Procedures;<br>2. Africare's submitted a draft IEE for its proposed Naro spate irrigation project.<br>3. BHR's BEO and the AFR REA Concurred on the status of the IEE indicators for the Bada Spate irrigation project.<br>4. Rural road rehab funding Terminated under PL-480 Title III. program | 1. Application of GSE screening procedures requires review by the REA.<br>2. Requires concurrence by BHR/FFP and a site visit to Naro by the REA<br>3. Dependent on security clearance for site visit.  | Disbursement of credit funds increased as part of post conflict economic recovery process.<br>The new project in Naro is slated for authorization.<br><br>The decision on further investment in reconstructing the Bada irrigation system depends on the availability of funding, re-assessment by the REA and physical access to the site. |
| IR 2: Value of domestic goods and services sold by enterprises increased                       |   |   |   |
| IR 3: Increased valued of exports from enterprises   |   |   |   |
| SO 3: Increased capacity for accountable governance at local and national levels               |   |   |   |
| IR 1: Improved administration Skills for civil servants in Selected public institutions        | 28erit, 9/30/98. Technical Assistance Project (TAP). Cat. Excl. only.<br>This SO underwent reassessment in FY 2001. Prior commitments supporting skill improvements for civil servants and faculty under the linkages program continue.   | Except for the planned expansion of the Internet, the new activities will involve no construction or capital investment. Following USAID procedure, procurement requests will be screened for environmental sensitivity by the REA. A possible new SO- level IEE will be scheduled in late FY02 | The structure of the SO under a Mission-wide reorganization will be decided in FY 2002.   |
| IR 2: Improved skills of university Faculty of selected Departments                            |   |   |   |
| IR 3: Sustainable supply of Internet   |   |   |   |